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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 25, 2016

Ric Williams
Rolling Thunder Research & Development LLC
545 North Dollhouse Ranch Road
Hanksville, Utah 84734

Subject: Revised Reclamation Surety Required, Rolling Thunder Research & Development LLC, Snake Valley Mine, S/041/0040, Sevier County, Utah

Dear Mr. Williams:

The referenced Notice of Intention to Commence Small Mining Operations (NOI) was determined to be complete on October 20, 2015, and the Division required reclamation surety in the amount of \$19,700.00.

The Division has re-evaluated the reclamation costs, and assumes that all six of the maximum 200-foot-deep holes for this project will need to be plugged as wet holes. This conclusion considers the project's proximity to the adjacent stream and the absence of additional information. The required reclamation surety amount for this project is not \$21,400, as determined below.

<i>Small Mine Bond Calculation Worksheet (3-year Bond Adjustment Period)</i>			
Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$8,000	\$8,000
Add'l Acres Disturbance	0	\$5,000	\$0
Portal Closure	0	\$2,000	\$0
Additional Mob/de-mob	0	\$2,000	\$0
Drill Hole Concrete Surface Plugs	6	\$210	\$1,260
Mob/de-mob dry drill holes	0	\$1,000	\$0
Feet Wet Drill Hole Bentonite Plugs	1200	\$4.25	\$5,100
Mob/de-mob wet drill holes	1	\$7,000.0	\$7,000
TOTAL (rounded to nearest \$100)			\$21,400

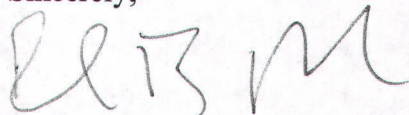
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No mining related disturbance may be created until the surety is received and approved, and you have received written acceptance from this office, as well as the School and Institutional Trust Lands Administration (SITLA), the Utah Division of Water Rights, Sevier County, and any other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. A cash surety would require submittal of a W-9 form for a domestic company or a W-8 form for a foreign company. This form is available from the web site of the Internal Revenue Service. Please contact Penny Berry at 801-538-5291 or by e mail at pennyberry@utah.gov for assistance in completing this requirement.

Please contact me at 801-538-5261 or Peter Brinton at 801-538-5258 if you have any questions regarding this letter. In reply please refer to file number S/041/0040.

Sincerely,



Paul B. Baker
Minerals Program Manager

PBB: pnb: eb

cc: Jerry Mansfield, SITLA (ML-51633) (jmansfield@utah.gov)
Cynthia Nielsen, Sevier County; 689 W. 2630 S., Richfield, Utah 84701

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